

John Eckart Commissioner Indiana Department of Revenue

Dear Mr. Eckart,

Indiana Economic Development Corporation

One North Capitol, Suite 700 Indianapolis, Indiana 46204 Tel 317.232.8800 Fax 317.232.4146 www.iedc.in.gov

The Indiana Economic Development Corporation (IEDC) has reviewed the proposed rule adding 45 IAC 20 pursuant to IC 4-22-2-28. The IEDC understands that the proposed rule requires the Department of Revenue to implement a quality assessment fee on nursing facilities not enrolled in Medicaid. Public Law 186 – 2005 requires that a quality assessment fee be levied on all nursing facilities (Medicaid and non-Medicaid). The Indiana Family and Social Services Administration (FSSA) assesses the fee on all Medicaid-enrolled facilities, but lacks the statutory authority to assess the fee on facilities not enrolled in Medicaid. Therefore, in order to comply with the provisions of PL 186 – 2005, the Department of Revenue, which does have the statutory authority to assess such fees, is required to assess the fees on non-Medicaid nursing facilities.

This rule will affect the eight nursing facilities in Indiana that are not enrolled in Medicaid. Of these eight facilities, approximately 5 may be classified as small businesses. The annual impact on the five small businesses affected is approximately \$600,000. This quality assessment fee is required by PL 186 – 2005. The proposed rule would not impose significant additional compliance costs.

The IEDC does not object to the fiscal impact contained in the proposed rule. The impact resulting from the rule is required by law and will support improvements in the quality of nursing care in Indiana.

If you have any questions with the comments contained herein please feel free to contact me at 232-8962.

Sincerely,

Ryan Asberry
Director - Research
Indiana Economic Development Corporation